

Mark Scheme (Results)

November 2024

Pearson Edexcel International GCSE

In Business (4BS1)

Paper 02: Investigating Large Businesses

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General Marking Guidance

- All candidates must receive the same treatment. Examiners must mark the first candidate in exactly the same way as they mark the last.
- Mark schemes should be applied positively. Candidates must be rewarded for what they have shown they can do rather than penalised for omissions.
- Examiners should mark according to the mark scheme not according to their perception of where the grade boundaries may lie.
- There is no ceiling on achievement. All marks on the mark scheme should be used appropriately.
- All the marks on the mark scheme are designed to be awarded. Examiners should always award full marks if deserved, i.e. if the answer matches the mark scheme. Examiners should also be prepared to award zero marks if the candidate's response is not worthy of credit according to the mark scheme.
- Where some judgement is required, mark schemes will provide the principles by which marks will be awarded and exemplification may be limited.
- When examiners are in doubt regarding the application of the mark scheme to a candidate's response, the team leader must be consulted.
- Crossed out work should be marked UNLESS the candidate has replaced it with an alternative response.

Question Number	Which **one** of the following is the break-even point on a break-even chart? **Answer**	Mark
1 (a) (i)	**AO1 - 1 mark** **The only correct answer is D –** When total costs and total revenue are the same **A** – is not the correct answer as fixed and variable costs would not break-even **B** – is not the correct answer as total costs and fixed costs would not break-even **C** – is not the correct answer as fixed costs and total revenue would not break-even	**(1)**

Question Number	Which **one** of the following is a benefit to a franchisee? **Answer**	Mark
1 (a)(ii)	**AO1 - 1 mark** **The only correct answer is B –** The franchisee is given support from the franchisor **A** – is not the correct answer as the franchisee can only buy from the franchisor **C** – is not the correct answer as the wage will depend on sales made **D** – is not the correct answer as it is the franchisor who has total control	**(1)**

Question Number	Which **one** of the following is an advantage of job production when compared to other methods of production? **Answer**	Mark
1 (a) (iii)	**AO2 - 1 mark** **The only correct answer is A** – Workers will be better motivated **B** – is not the correct answer as production speeds will be slower **C** – is not the correct answer as the unit costs will be different for each product made **D** – is not the correct answer as more training will be needed for job production	**(1)**

Question Number	Which **one** of the following would be the total amount paid by a customer for a room? **Answer**	Mark
1 (a)(iv)	**AO1 - 1 mark** **The only correct answer is D –** 406.25 **A** – is not the correct answer as 81.25 is 25% of the 325 **B** – is not the correct answer as 243.75 is 325 minus 81.25 **C** – is not the correct answer as 350 is 325 plus 25	**(1)**

Question Number	Which **one** of the following is the percentage increase in revenue from 2021 to 2022. **Answer**	Mark
1 (a) (v)	**AO2 - 1 mark** **The only correct answer is C –** 209.62% **A** – is not the correct answer as 5.23% is 772.80 – 249.60 = 523.20/100 **B** – is not the correct answer as 67.70% is 772.80 – 249.60 = 523.20/772.80 x 100 **D** – is not the correct answer as 523.20% is 772.80 – 249.60	**(1)**

Question Number	Which **one** of the following is an internal source of finance for a business? **Answer**	Mark
1 (a)(vi)	**AO1 - 1 mark** **The only correct answer is C –** Personal savings is the only correct answer **A** - is not the correct answer as Crowdfunding is an external source of finance **B** – is not the correct answer as Loan capital is an external source of finance **D** – is not the correct answer as Venture capital is an external source of finance	**(1)**

Question Number	Define the term **job description.** **Answer**	Mark
1 (b)	**AO1 - 1 mark** Award 1 mark for a correct definition of **job description.** • It shows the tasks, duties, roles and responsibilities for a named job **(1)**	**(1)**

Question Number	Define the term **public corporation.** **Answer**	Mark
1 (c)	**AO1 - 1 mark** Award 1 mark for a correct definition of a **public corporation.** • A business owned and controlled by a state/government **(1)**	**(1)**

Question Number	State **one** reason why *Premier Inn* managers would delegate tasks to hotel employees. **Answer**	Mark
1 (d)	**A02 - 1 mark** Award 1 mark for a valid reason why a *Premier Inn* managers would delegate tasks to hotel employees in the context of the business. • By delegating a task, the manager gains time to carry out other tasks such as greeting guests on arrival **(1)** • Employees may feel more motivated if they are trusted with additional jobs such as restocking the vending machines in public areas of the hotel **(1)** **NB** Do not accept a reason that is not in the context of *Premier Inn* **Accept any other appropriate response.**	**(1)**

Question Number	Calculate, to two decimal places, the price for the first night after the discount has been applied. You are advised to show your working. **Answer**	Additional guidance	Mark
1 (e)	**A02 - 2 marks** 78.09 (2) **Or** 1 mark for workings if final answer incorrect 89.25 x 0.125 = 11.16**(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Explain **one** advantage of using focus groups when carrying out market research. **Answer**	Mark
1 (f)	**A01 - 3 marks** Award 1 mark for an advantage of using focus groups when carrying out market research, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • By using focus groups researchers can talk directly to the people in the group **(1)** this means that they may get a more truthful answer **(1)** which may allow researchers to gain in-depth insights into consumers' thought, feelings and motivations **(1)** • Focus groups allow a variety of people to discuss the research being carried out **(1)** detailed notes of the discussion can be taken **(1)** which can then be used and analysed at a later date **(1)** **NB** No marks are awarded for a definition. Answers that list two advantages with no explanation will get a maximum of 1 mark. **Accept any other appropriate response.**	**(3)**

Question Number	Analyse the benefits for India of these plans. **Indicative content**	Mark
1 (g)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • Building more hotels in India will provide greater job opportunities for the local population • The hotels will need employees with different skills such as chefs and waiters **<u>AO3</u>** • It will improve the overall Indian economy from increased taxes/revenue • It could reduce unemployment where the new hotels are built	**(6)**

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).

Question Number	State **one** activity carried out by the marketing functional area at *Premier Inn*. **Answer**	**Mark**
2 (a)	**A02 - 1 mark** Award 1 mark for a valid activity carried by the marketing functional area at *Premier Inn* in the context of the business. • To decide the prices of the hotel rooms so that visitors would consider staying at the hotel **(1)** • To advertise the hotels to encourage visitors to book rooms at *Premier Inn* hotels **(1)** **NB** Do not accept an activity that is not in the context of *Premier Inn* **Accept any other appropriate response**.	**(1)**

Question Number	State **one** reason why *Premier Inn* uses seasonal employees. **Answer**	**Mark**
2 (b)	**A02 - 1 mark** Award 1 mark for a valid reason why *Premier Inn* uses seasonal employees in the context of the business. • Enables the hotel to continue working when there is an increase in demand for rooms during the summer holidays **(1)** • Students with their long holidays can be employed as full-time employees, such as waiters and housemaids **(1)** **NB** Do not accept a reason that is not in the context of *Premier Inn* **Accept any other appropriate response.**	**(1)**

Question Number	Explain **one** reason why a business would use robotics in its production. **Answer**	Mark
2 (c)	**A01 - 3 marks** Award 1 mark for a reason why a business would use robotics in its production, plus 2 further marks for explaining the reason, for a maximum of 3 marks. • Using robots in the production process reduces production errors **(1)** as robots can be programmed to do the same thing time after time **(1)** products can be made with greater consistency/higher quality **(1)** • Using robotics in the production process increases the number of goods produced **(1)** reducing the cost of production **(1)** leading to the possibility of greater profits **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons why a business would use robotics in its production, with no explanation will get 1 mark only. **Accept any other appropriate response.**	**(3)**

Question Number	Explain **one** reason why a business might use sponsorship. **Answer**	Mark
2 (d)	**A01 - 3 marks** Award 1 mark for a reason why business might use sponsorship, plus 2 further marks for explaining this reason, for a maximum of 3 marks. • If a business sponsored an event the business would gain publicity **(1)** this would mean the business would raise awareness in a wide range of people **(1)** which may attract new customers **(1)** • The business would gain brand awareness from any sponsorship **(1)** this could encourage followers of the event to consider purchasing from the business **(1)** leading to increased revenue/profits **(1)** **NB** No marks are awarded for a definition. Answers that list three reasons why a business might use sponsorship to promote itself, with no explanation will get 1 mark only. **Accept any other appropriate response**.	**(3)**

Question Number	Explain **one** advantage for a country of being in a trading bloc. **Answer**	Mark
2 (e)	**A01 - 3 marks** Award 1 mark for an advantage for a country being in a trading bloc, plus 2 further marks for explaining the advantage, for a maximum of 3 marks. • Businesses within a country can trade with no tariff barriers **(1)** This means that there will be no additional costs involved **(1)** therefore prices could be lower **(1)** • It gives a wider choice of goods for consumers **(1)** as the goods move freely with no trade restrictions **(1)** from one country to another country **(1)** **NB** No marks are awarded for a definition. Answers that list three advantages why a business is in a trading bloc, with no explanation will get a maximum of 1 mark **Accept any other appropriate response.**	**(3)**

Question Number	**Option 1:** competition pricing **Option 2:** promotional pricing. Justify which **one** of these two options *Premier Inn* should choose. **Indicative content**	**Mark**
2 (f)	**AO2 = 3 marks AO3 = 3 marks** **AO4 = 3 marks** **<u>AO2</u>** • **Option 1** – *Premier Inn* will match the price of competitors for its rooms • **Option 2** – *Premier Inn* could offer a discount on the price of a 3-night stay at the hotel **<u>AO3</u>** • **Option 1** – Customers could be tempted to book with *Premier Inn* because the price is similar or slightly lower than its competitors • **Option 2** – The lower price could mean that they get more bookings which means revenue for the business **<u>AO4</u>** • **Option 1** – However, there is no guarantee that customers will book with *Premier Inn* as they may prefer the facilities at another hotel • **Option 2** – However, even though the bookings may be higher there is no guarantee that the profit will be same or higher	**(9)**

Level	Mark	Descriptor
	0	No Rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3). • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).
Level 2	4-6	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3). • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).
Level 3	7 - 9	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3). • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).

Question Number	Define the term **net cash flow.** **Answer**	Mark
3 (a)	**A01 - 1 mark** Award 1 mark for a correct definition of **net cash flow.** • Difference between cash/money coming into the business and the cash/money going out of the business in a given period of time **(1)**	**(1)**

Question Number	Outline **one** possible reason why prospective employees at *Premier Inn* complete an application form. **Answer**	Mark
3 (b)	**A02 - 2 marks** Award 1 mark for identifying one possible reason why prospective employees at *Premier Inn* complete an application form, plus 1 further mark for a point of development. For two marks the answer must be in the context of the business. • *Premier Inn* can see if the employee has the skills and knowledge of working in the reception area **(1)** which will reduce the amount of training needed **(1)** **NB** Do not accept a possible reason that is not in the context of *Premier Inn.* **Accept any other appropriate response.**	**(2)**

Question Number	Calculate, to two decimal places, what an employee would earn if they worked six hours of overtime? **Answer**	**Additional guidance**	**Mark**
3 (c)	**A02 - 2 marks** 91.62 **(2)** **Or** 1 mark for workings if correct answer not given 15.27 x 6 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Analyse the benefits for *Premier Inn* of motivating its employees. **Indicative content**	**Mark**
3 (d)	**AO2 = 3 marks AO3 = 3 marks** **<u>AO2</u>** • If *Premier Inn* motivates its employees, it means that they will be more likely to provide a better service to customers staying at the hotel • If the employees are not motivated, then they are likely to make errors when booking customers into their allocated rooms **<u>AO3</u>** • Employees who are happy at work would be more willing to carry out additional duties if required • Less motivated employees can lead to a reduction in customers using the hotel again, making it harder for *Premier Inn* to achieve any targets they may have	**(6)**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3).
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3).
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3).

Question Number	Option 1: internal recruitment from within *Premier Inn* hotels around the world Option 2: external recruitment, by using an employment agency. Justify which **one** of these two options *Premier Inn* should choose. **Indicative content**	Mark
3 (e)	**AO2 = 3 marks AO3 = 3 marks AO4 = 3 marks** **AO2** • **Option 1** – By appointing an internal employee to organise the reception area of the hotel, they will have experience of how the hotel works • **Option 2** – By appointing externally using an agency provides the opportunity to bring in additional skills of marketing the *Premier Inn* business **AO3** • **Option 1** – As the employee is known to the business together with their skills and knowledge, they will know if they are capable of carrying out the new job • **Option 2** – There may be a wide variety of people applying for the vacancy. This provides a wide choice which the agency can then reduce to a list of potential employees with the right skills **AO4** • **Option 1** – However, if the employee does move to take on the new job the old job may have to be filled and this could mean more expense • **Option 2** – However, the new employee may not fit in with the other employees in the business, which could cause problems within the work environment	**(9)**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-3	• Limited application of knowledge and understanding of business concepts and issues to the business context (AO2). • Attempts to deconstruct business information and/or issues, finding limited connections between points (AO3). • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made (AO4).
Level 2	4-6	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies (AO2). • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies (AO3). • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made (AO4).
Level 3	7 - 9	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout (AO2). • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning (AO3). • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made (AO4).

Question Number	Calculate, to two decimal places, the current ratio in 2022. You are advised to show your working. **Answer**	Additional guidance	Mark
4 (a)	**A02 - 2 marks** 1.76 **(2)** 1 mark for workings if correct answer not given 9 566/5 447 **(1)**	Award 1 mark for correctly substituting numbers into formula. Award full marks for correct numerical answer without working.	**(2)**

Question Number	Analyse the importance of making sure that guests have a quality service when staying at a *Premier Inn*. **Indicative content**	Mark
4 (b)	**AO2 – 3 marks AO3 – 3 marks** **<u>AO2</u>** • If the reception staff at the hotel are helpful and accommodating to the guests, they are more likely to return • If the hotel room has all the amenities that guests require such as tea and coffee facilities **<u>AO3</u>** • Which could increase the number of bookings and the potential profit for *Premier Inn* • Guests may tell friends and family about the excellent facilities and service they received whilst staying at the *Premier Inn*	**(6)**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-2	• Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) • Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3)
Level 2	3-4	• Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies. (AO2) • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3)
Level 3	5-6	• Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3)

Question Number	Evaluate why a business such as *Premier Inn* would only consider profit to measure its success. You should use the information provided as well as your own knowledge of business. **Indicative content**	Mark
4 (c)	**AO1 = 3 marks AO2 = 3 marks** **AO3 = 3 marks AO4 = 3 marks** **<u>AO1</u>** • The more profit that is made from each *Premier Inn* will show how successful they are • Profit signifies if the total revenue of the business exceeds the total costs • **<u>AO2</u>** • *Premier Inn* will be able to see how much profit each hotel is making and compare it to other hotels • *Premier Inn* is planning to open more hotels in different parts of the world and will be able to see if these new hotels are making a profit **<u>AO3</u>** • By comparing the profit from each of the *Premier Inn*'s it can use the profit to develop or increase the size of certain hotels • By planning to open more hotels this shows how successful the business is with guests who return to stay **<u>AO4</u>** • However, an increase in profit is dependent upon many factors outside the control of *Premier Inn*, such as travel restrictions that stop people from travelling • However, there are other ways to measure business success such as market share and customer satisfaction, which might be as equally important as financial measures	**(12)**

Level	Mark	Descriptor
	0	No rewardable material.
Level 1	1-4	• Demonstrates elements of knowledge and understanding of business concepts and issues, with limited business terminology used. (AO1) • Limited application of knowledge and understanding of business concepts and issues to the business context. (AO2) • Attempts to deconstruct business information and/or issues, finding limited connections between points. (AO3) • Makes a judgement, providing a simple justification based on limited evaluation of business information and issues relevant to the choice made. (AO4)
Level 2	5 - 8	• Demonstrates mostly accurate knowledge and understanding of business concepts and issues including appropriate use of business terminology in places. (AO1) • Sound application of knowledge and understanding of business concepts and issues to the business context although there may be some inconsistencies. (AO2) • Deconstructs business information and/or issues, finding interconnected points with chains of reasoning, although there may be some logical inconsistencies. (AO3) • Makes a judgement, providing a justification based on sound evaluation of business information and issues relevant to the choice made. (AO4)

Level 3	9 - 12	• Demonstrates accurate knowledge and understanding of business concepts and issues throughout, including appropriate use of business terminology. (AO1) • Detailed application of knowledge and understanding of business concepts and issues to the business context throughout. (AO2) • Deconstructs business information and/or issues, finding detailed interconnected points with logical chains of reasoning. (AO3) • Makes a judgement, providing a clear justification based on a thorough evaluation of business information and issues relevant to the choice made. (AO4)

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